

## **HIPAA Health Plan Exemption Status of DHFS Administered Programs**

Government-funded programs are not health plans if:

- 1) their principal purpose is other than providing, or paying the cost of, health care, or
- 2) their principal activity is the direct provision of health care or the making of grants to fund the direct provision of health care.

DHFS applied these exemption tests to all statewide programs it administers or supervises in which a significant amount of health care is provided. The following table lists the programs DHFS believes meet one or both of these tests and are therefore not health plans under HIPAA. We list the exemption reason(s) for each program. We have adapted the two tests to three reasons to make decision making more practical.

<b>Purpose</b>	This reason is picked if documentation, such as in authorizing legislation or the federal descriptions of grants, is clear about the main purpose of the program. (Exemption 1)
<b>Majority of Services</b>	If the principal purpose is not clear from documentation, we judge the principal purpose based on whether the majority of the services in the program are health care or not. (Exemption 1)
<b>Payment Means</b>	This is our title for the second exemption, which addresses whether the principal activity of the program is either direct service provision or funding by grants. In both cases, fee-for-service or capitation payments are not made and the standard HIPAA transactions are not relevant for the majority of the funding activity.

Many programs are exempted as health plans because their principal purpose is funding the service delivery infrastructure rather than funding the provision of services. In these programs funds principally pay for administrative capacity building, training, equipment, quality assurance activities, etc.

Division	Program	Exemption Reasons			Notes
		Purpose	Majority of Services	Payment Means	
DPH	Family Planning	X			Infrastructure development
	Prevention Health and Health Services Block Grant	X			Infrastructure development
	Early Detection and Screening Program Genetic, Congenital Disorders, and Birth Defects	X			Infrastructure development
	Primary Care Office Cooperative Agreement	X			Infrastructure development
	Grants for Community Health Centers	X			Infrastructure development
	HIV Counseling, Testing and Referral Services	X	X		Infrastructure development
	HIV Early Intervention				Consider part of Life Care Services
	HIV Life Care Services	X	X	X	Grants to ASOs to provide case management; medical care funding disallowed.
	Sexually Transmitted Disease Control		X		12% laboratory services
	AIDS/HIV Insurance Subsidy Program	X			Pays for insurance
	WI HIV Drug Reimbursement Program				\$180k of \$2.8m is GPR. Rest is Ryan White. Treat whole program as feds have interpreted—

Division	Program	Exemption Reasons			Notes
		Purpose	Majority of Services	Payment Means	
					Ryan White is not a health plan.
	Emergency Medical Services and Injury Prevention	X			Infrastructure development
	TB Program	X	X		<p>The major activities are consultation, technical assistance, surveillance, and training. A small portion of these activities includes payment for medication and limited clinical services.</p> <p>During SFY 01 \$286,861.18 was spent on medication and clinical services. \$580,901 was spent on other TB Program activities.</p>
	Maternal and Child Health	X			Infrastructure development
DSL	Birth to 3	X	X		Purpose is service coordination. 60% services coord, education, support, etc and not health care.
	Disability Benefit Specialist	X			

Division	Program	Exemption Reasons			Notes
		Purpose	Majority of Services	Payment Means	
	Independent Living Centers	X			I &R, skills training, peer counseling, advocacy
	WisTech	X			
	Traumatic Brain Injury Post Demo Grant	X			Training and capacity building
	Elder Abuse Reporting System	X	X		
	Adult Protective Services	X			
	Community Mental Health			X	55% direct provision or funding by grant
	Community Alcohol and Other Drug Abuse			X	52% direct provision or funding by grant
DCFS	Child Welfare	X			Health care provided is incidental to main social welfare purpose.